

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE**

<b>In re:</b>	)	<b>Chapter 11</b>
	)	
<b>W. R. GRACE &amp; Co., et al.,</b>	)	<b>Case No. 01-1139 (JFK)</b>
	)	<b>(Jointly Administered)</b>
<b>Debtors.</b>	)	

**NOTICE OF INTENT TO PURCHASE, ACQUIRE  
OR OTHERWISE ACCUMULATE EQUITY SECURITIES**

PLEASE TAKE NOTICE that York Capital Management L.P. ("YCM") hereby provides notice of its intention to purchase, acquire or otherwise accumulate one or more shares of the equity securities (the "Equity Securities") of W. R. Grace & Co. or an Option with respect thereto (the "Proposed Transfer").

PLEASE TAKE FURTHER NOTICE that, if applicable, on February 14, 2011, YCM filed a Notice of Status as a Substantial Equityholder<sup>1</sup> with the United States Bankruptcy Court for the District of Delaware (the "Court") and served copies thereof on the Debtors' counsel.

PLEASE TAKE FURTHER NOTICE that YCM currently Beneficially Owns **130,731** shares of the Equity Securities (common stock) of W. R. Grace & Co.

PLEASE TAKE FURTHER NOTICE that, pursuant to the Proposed Transfer, YCM proposes to purchase, acquire or otherwise accumulate **50,886** shares of Equity Securities. If the Proposed Transfer is permitted to occur, YCM will Beneficially Own **181,617** shares of Equity Securities after the transfer.

PLEASE TAKE FURTHER NOTICE that this filing is made by YCM, as YCM, together with York Credit Opportunities Fund, L.P., Merrill Lynch Investment Solutions – York Event-Driven UCITS Fund, Jorvik Multi-Strategy Master Fund, L.P., York Credit Opportunities Master Fund, L.P., York Multi-Strategy Master Fund, L.P. and certain accounts managed by York Managed Holdings, LLC, each of which is indirectly advised by York Capital Management Global Advisors, LLC, have collectively purchased **5.23%** of Equity Securities. While YCM has not concluded that the relationships among the foregoing entities are sufficient to cause YCM to have "Beneficial Ownership" as defined under section 382 of the Internal Revenue Code over Equity Securities owned by the other entities set forth above, in an abundance of caution, YCM hereby informs the Debtors and the Court of its ownership interest in the Equity Securities described herein.

PLEASE TAKE FURTHER NOTICE that the taxpayer identification number of YCM is 13-3625276.

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<sup>1</sup> For purposes of this Notice, all capitalized terms not defined herein shall have the same meaning as is set forth in the Final Order of this Court, entered [January 26, 2005], Limiting Certain Transfers of Equity Securities of the Debtors and Approving Related Notice Procedures.

PLEASE TAKE FURTHER NOTICE that, under penalties of perjury, YCM hereby declares it has examined this Notice and accompanying attachments (if any), and, to the best of its knowledge and belief, this Notice and any attachments that purport to be part of this Notice are true, correct and complete.

PLEASE TAKE FURTHER NOTICE that, pursuant to the Final Order of this Court, entered on January 26, 2005, Limiting Certain Transfers of Equity Securities of the Debtors and Approving Related Notice Procedures, this Notice is being (A) filed with the Court, and (B) served upon Kirkland & Ellis LLP, counsel to the Debtors, 200 E. Randolph Drive, Chicago, Illinois 60601, Attn.: Janet S. Baer, Esq.


PLEASE TAKE FURTHER NOTICE that the Debtors have ten (10) calendar days after receipt of this Notice to object to the Proposed Transfer described herein. If the Debtors file an objection, such Proposed Transfer will not be effective unless approved by an order of the Court not subject to appeal, modification, stay, or reconsideration. If the Debtors do not object within such ten (10) day period, then after expiration of such period the Proposed Transfer may proceed specifically as set forth in the Notice.

The undersigned prospective acquirer understands that any further transactions that may result in YCM purchasing, acquiring or otherwise accumulating additional shares of Equity Securities (or an Option with respect thereto) will each require an additional notice filed with the Court to be served in the same manner as this Notice.

Dated: February 16, 2011  
New York, New York

Respectfully submitted,

York Capital Management L.P.

By:   
Name: Daniel A. Schwartz  
Title: Chief Investment Officer of its General Partner

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